



LEADING
Economic Development in Bay County, Michigan

April 29, 2016

Honorable Mike Green
Michigan Senate

*** Sent via electronic mail**

Dear Senator Green,

I am writing on behalf of *Bay Future, Inc.*, the lead economic development organization in Bay County, MI, regarding **Senate Bills 437-438**.

While the 2008 energy law has worked well and achieved many goals, it is important that an updated comprehensive energy infrastructure policy be enacted that will help Michigan reliably and affordably meet its energy needs for generations to come.

As an Ohio native, I am very familiar with how a deregulated market approach does not encourage new power plant builds. As a result, Ohio's electric reliability and stability are at risk. New legislation in Michigan is needed to create a fair, affordable and reliable energy system to power our future.

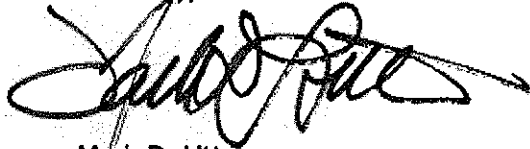
Here in Michigan and around the Midwest, numerous coal-fired plants have and will close due to age and federal environmental regulations. Unregulated energy marketers who currently provide 10 percent of Michigan's electricity supply are not currently required to make long-term investments in the Michigan power plants needed to serve their customers. They have been relying on excess power plants owned by utilities, but this excess is drying up. The power grid is an interconnected system, so not having enough electricity supply will create reliability concerns and higher costs for *all* Michigan customers, not just those who use a deregulated marketer. The current system could also lead to importing energy from other states, and exporting jobs.

Senate Bills 437-438 provides a solid foundation towards a Michigan-first energy policy that will:

- Ensure Michigan makes the necessary infrastructure investments in new power plants to ensure reliability,
- Require unregulated energy marketers to demonstrate they have adequate resources to meet long-term power demand,
- Create an open, transparent and strict new power plant approval process requiring utilities to file long-term plans to meet reliability and environmental requirements in the most affordable way for customers, including helping customers save energy if that is less expensive than building new power plants. Only the most reasonable and prudent plan would be approved by the Michigan Public Service Commission,
- Require utilities to competitively bid new power plants, and
- Ensure all customers who use the electricity grid – including those who rely on their own generation for part of their supplies – pay for their fair share of the grid.

Please act to ensure Michigan has a sustainable energy future for years to come. **Vote YES on SB's 437-438.**

Sincerely,

A handwritten signature in black ink, appearing to read "Mark D. Litten", with a large, sweeping flourish extending to the right.

Mark D. Litten
President & CEO